



## **Downtown Center Business Improvement District**

### **BOARD OF DIRECTORS MEETING MINUTES**

**February 13, 2013**

#### **Board of Directors**

Eric Bender, Jim Bonham, Marty Caverly, Sauli Danpour, Kathy Faulk, Steve Hathaway, Matt Nolan (as proxy for A. Yellin), Peklar Pilavjian, Carol Schatz, Patrick Spillane, Daniel Swartz, Cindy Troesh, Cari Volk

#### **Absent**

Barbara Bundy, Robert Cushman, David Damus, Frank Frallicciardi, Robert Hanasab, Peggy Moretti, Paul Rutter, Adele Yellin, Peter Zen

#### **Staff**

Hal Bastian, Jeff Chodorow, Nina Decker, Randall Ely, Jacob Holloway, Lauren Mitchell, Lena Mulhall, Ken Nakano, John Pallante

#### **CALL TO ORDER**

Faulk called the meeting to order at 8:05 a.m. Faulk asked the attendees to say their name and company representing.

**PROPERTY OWNER OR PUBLIC COMMENT:** None.

#### **APPROVAL OF MINUTES**

Approval of Minutes from December 12, 2012. A motion was made to approve the Minutes, seconded and motion was approved.

#### **FINANCE**

Chodorow Reported:

There are 2 months Financials (November - December) to be reviewed and approved. For The Finance Committee has reviewed and approved both months. For the 2012 year-end, year-to-date change in assets (unaudited) are positive \$17K, a result of expenses substantially lower than budgeted. The Marketing dept. had some savings on the Annual Report and ambassador staffing, which has been under staffed. These were offset slightly by administration costs for legal expenses relating to Angelus Plaza and the BID renewal process that was budgeted in 2011, but some of the expenses came through in 2012.

A motion was made by Hathaway to approve November financials as presented, Bonham seconded and was approved. A motion was made by Danpour to approve December financials as presented, Bender seconded and was approved.

#### **PRESIDENT'S REPORT**

Schatz introduced Matt Nolan, who will be representing Adele Yellin on the Board. Schatz asked Nolan to update the Board on how he's repositioning the property. Nolan advised they are 50% occupied at Grand Central Market and on the apartment front, they are upgrading each unit and asking for more rent. There are approx. 121 units.

Schatz announced that Hal Bastian has been promoted to Executive Vice President & Director of Economic Development.

## MARKETING

Mitchell Reported:

Mitchell highlighted some of the events that took place during the months of December and January.

### Marketing Campaigns

The DCBID's holiday campaign promoted Downtown LA as *the* destination for holiday events and shopping. The campaign generated 1,099 likes on Facebook, 1,124 additions to our email list (increase of 25% compared to last year,) and 40,045 page views (increase of 48% compared to last year.)

The annual Valentine's Campaign is underway. "Romance in the City, Valentine's in Downtown LA" highlights 26 dinners, unique gifts, hotel packages, and singles events. A dedicated landing page, flyers, print advertising in the Downtown News, radio spots on The Wave, sweepstakes featuring the **LA Athletic Club, Hilton Checkers**, and the **Omni Hotel**, and PR promote the campaign. Visit [DowntownLA.com/Valentines](http://DowntownLA.com/Valentines) for details.

### New Resident Event

As part of the DCBID's initiative to build community in Downtown LA, we launched a Downtown resident event series. These quarterly mixers provide a forum for residents to mingle with their neighbors, learn about the DCBID and our accomplishments, and ask questions about Downtown living. The event begins with dessert and coffee, followed by a PowerPoint about the DCBID, and a Q&A. Local businesses present raffle items and guests leave with Welcome bags. The event will travel around the District, with the next event planned for mid-April.

### Website

We have been posting new businesses, upcoming events, and promotions on our website. The marketing team continues to meet weekly to discuss the redesign of our website this year. Highlights from our discussion include creating an introductory video about Downtown LA, reorganizing the content based on visitor interest, and adding compelling photography.

### Downtown Guides Program

The Downtown Guides were active in their outreach to businesses, residents, and visitors in the Downtown Center. The Guides were present at the weekly Farmers' Markets and showcased the kiosk at **Pershing Square's Downtown on Ice**. When Downtown on Ice ended, we created a rotating schedule for the kiosk, targeting the most popular intersections in Downtown for pedestrians.

The Welcome Map and Bags continue to be in high demand. The maps are distributed via our Downtown Guides in Downtown LA and via Certified Folder Display to major transportation hubs and tourist attractions in Southern California. The Welcome Bags greet new tenants and residents when they move in.

- During December and January, the Ambassadors provided 2,124 directions and contacted 980 businesses. They also distributed 1270 Welcome Maps and 380 Welcome Bags. Welcome Bags were delivered to residential buildings and businesses including Keller William Realty, The Hyatt Hotel, Bank of America, Beacon Lofts, and PE Lofts. The Downtown Guides are now fully staffed with a five person team.

### Property Owner Quarterly Newsletter

The Q4 issue of the quarterly newsletter will arrive to all stakeholders around Valentine's Day. This issue features results from the holiday campaign, a recap of the 10<sup>th</sup> Annual Fall Program & Tour and the 5<sup>th</sup> Annual Halloween Party for Downtown LA Kids, and much more.

### Marketing Roundtable Meetings

The DCBID hosted its Annual Holiday Party at **Le Ka**, attended by 80 guests, and our monthly Marketing Roundtable in January, attended by more than 60 Downtown Businesses. Presentations at the January meeting included **Relay for Life** and the **American Diabetes Association**. **LA Tourism Board** presented their 2012 data; highlights include:

- 2012 was a strong year for tourism with a record breaking 41.4 million visitors, a 2.5% increase.
- Highest overnight visitors on record at 27.9 million, a 3.3% increase. There is steady recovery from 2009, with continued growth expected for 2013.
- Over the past 12 years, 2003 was low point relative to International visitation but has grown 54% since then to 6 billion, with China becoming the top overseas market for the first time.
- 2012 occupancy at 73.4% was up 6.3 percentage points over 2011.
- 2012 citywide conventions highest since 2001; 2013 will be less both in number and attendance.
- \$16.5 billion in direct visitor spending.

Schatz discussed the Board vacancies and asked for recommendations of any property owners who may be valuable to sit on the Board.

2012 Audit is in process and the city audits, each BID, which is actually DCBID's first the preliminary findings we took great issue with and are talking to the city about the findings. We will update everyone on final outcome at next Board meeting.

Schatz, discussed that today, in closed session, that hopefully the final approval of the settlement agreement with Angelus Plaza will be signed by the city. The settlement agreement went to budget and finance last week and don't expect to have any problems.

Schatz spoke to the Board on the status of Bringing Back Broadway initiative.

## **OPERATIONS**

Nakano reported:

### **Safety:**

Current focus for the Safety Team is on the multiple large encampments that have been growing in the district. We currently have identified 4 areas of concentration.

- 1 – 1<sup>st</sup> & Figueroa (Underpass)
- 2 – 2<sup>nd</sup> & Grand (Underpass)
- 3 – 351 S. Hill Street
- 4 – 4<sup>th</sup> & Flower (Underpass)

These four locations consistently have 10-30 encampments on a daily bases, we are working with LAPD and the Eastside detail on fixing this issue. Quality of life issues continue to be another problem on the 7<sup>th</sup> Street corridor as we have seen an increase of panhandlers during the daytime hours.

	<b><u>January 2013</u></b>	<b><u>January 2012</u></b>
Calls For Service	2,816	1,451
Self Initiated Calls/Incidents	9,682	11,683
LAFD Assists	8	10
LAPD Assists	11	12
Misdemeanor Incidents	740	949
Felony Incidents	4	9
Quality of Life Incidents	2,993	3,399

Safety Staff received training on the following topics:

- Patrol Procedures
- Petty Theft Arrest Procedures
- Bike Patrol Refresher
- State Penal Codes
- Use of Force

### **Maintenance:**

All of the new ashtrays have been installed along hill street, the ashtrays have already made a noticeable difference in the amount of cigarette litter in the area and the citizens in the area have been very receptive of this. We currently are fabricating and working on an apparatus that will remove gum and the shadowing associated with the gum removal. We will begin testing this apparatus in early February. We have had a rash of "Trash Fires" within the district in which 8 of the DCBID trash cans were set on fire causing damages to the liners and lids. The maintenance staff is currently refurbishing the damaged trashcans.

### **BID ACTION:**

On January 31<sup>st</sup>, LAHSA conducted their 2013 Homeless Count. This year several BID's participated in this count (DCBID, DPOA, HDBID & SPBID). Approximately 40 Safety Officers met at the DCBID Service Center, received training from LAHSA and then conducted the counts associated to their district. We hope to have the results of this count by mid February.

## **ECONOMIC DEVELOPMENT**

Bastian Reported:

### **7<sup>th</sup> Street Retail Recruitment Program**

- FIGat7th launched Taste, its restaurant area, with the Grand Opening of The Melt, Juicy Lucy, Indus by Saffron, George's Greek Grill and Oleego by Park's BBW. This has become a casual dining destination in our District.
- The Ratkovich Company entered escrow to purchase Macy's Plaza with the goal of repositioning this retail destination.
- Sorgente Group of America purchased the Fine Arts Building located at 811 W. 7<sup>th</sup> Street. The Sorgente Group are Italian investors that specialize in trophy historic buildings. They also own the Flatiron Building in New York City.

### **Broker Outreach**

- We met with various brokerage firms to discuss recruiting retail tenants to Downtown. A few of the brokerage firms: Avison Young, Colliers, Jones Lang Le Salle, CBRE, Strategic Retail Advisors, Kennedy Wilson, TRG Real Estate Services, illi Commercial Real Estate and Keller Williams.

### **Residential Market**

- The Beacon Condominium opened for sales in November and is already reporting over 85% sold with move-ins starting in late January.
- The Apex opened in late October and is 40% leased; The Jeffries opened in June and is 90% leased; The Brockman open in July and is 87% leased.
- We met with two developers interested in new construction or adaptive re-use residential projects in our District.
- We met with developers regarding retail recruiting for new ground breaking developments that will be coming to market in 2013 and 2014.
- We continued to update and track residential building management and staff.

### **Research & Special Projects**

- Created new quarterly residential market research report to complement existing database of buildings and properties.
- Researched and crafted detailed information on planned residential projects under construction and in the pipeline.
- Coordinated update to printed maps with Cartifact to reflect new projects and other changes Downtown and problem-solved mapping issues with online maps from Cartifact.
- Attended the Americas Lodging Investment Summit Conference.

### **Quarterly DRMA Networking Event**

- We hosted a Holiday Walking Tour with our DRMA group, which was followed by lunch at Border Grill.

### **Housing Tours and Business Walking Tours**

- We had four full Housing Tours with over 160 participants in total.
- We had two successful Walking Tours with over 20 participates in total.

## **OLD BUSINESS**

None

## **NEW BUSINESS**

None

## **ADJOURNMENT**

The next meeting will be on Wednesday, March 6, 2013, at 8:00 a.m. The meeting was adjourned.